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ABSTRACT

This paper presents a historical perspective on the growth of the Seattle Community College District (SCCD) from 1967 to 1980 and the period of retrenchment from 1981 to the present. First. the paper reviews the formation of the SCCD, its organizational structure. goals and objectives, and mission. Next, demographic data are presented to illustrate the severity of the crisis being faced nationally, in the state of Washington, in the city of Seattle, and in the SCCD, as indicated by trends in the economic outlook, social conditions, political climate, educational arena, technological demands, and population projections. Then, the paper focuses on the causes of educational reductions in Washington (i.e., an inadequate tax base and a disintegrating economic climate); the decline in full-time equivalent enrollments from 15,040 in 1980-81 to an estimated 10,770 in 1982-83; the cutbacks made between 1980 and 1982; and the methods used to effect these cutbacks. Finally, a four-stage sequence for retrenchment is presented derived from the SCCD experience. It involves: (1) reduction of services on a somewhat proportional basis; (2) disproportionate cutback of particular services; (3) cutbacks in whole categories of programs and services; and (4) the reformulation of the college's mission to cope with retrenchment. (HB)

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MANAGING CONTRACTION

(An Institution Experiences Contraction)

-- Seattle Community College District --
Seattle, Washington
U.S.A.

Dr. John W. Casey

Historical Perspective

In 1967, the Legislature of the State of Washington passed enabling legislation that has taken the title, "The Community College Act of 1967". The state was divided into twenty-two community college districts and they are numbered from one to twenty-two. In 1981 one district, District V, was split so that there are now twenty-three districts with 27 colleges.

"Junior" colleges existed in the state prior to 1967, but only a scattered few. State law previously forbade the organization of junior colleges in cities where four year public or private colleges or universities were established. As a result, the major growth areas of the state had no community colleges, even though these were the places having the greatest need.

The Seattle Community College District was formed in 1967, having as its nucleus the old Edison Technical Institute that was governed and funded by the Seattle Public School District. In that year, the Institute was enlarged, the curriculum expanded to include university paralles courses, and the name was changed to Seattle Central Community College. The campus was originally planned to be the first of four major sites.

Three years later, North Seattle Community College and South Seattle Community College were formed. A five-member Board of Trustees govern the District. A district administrative office, located in the central part of the city, but off the campus of Seattle Central, was opened. A District President is the chief administrative officer and campus presidents are responsible for their respective sites. Campus Presidents report to the District President (Chancellor) who, in turn, reports to the Board of Trustees. Board members are appointed by the Governor of the State of Washington and confirmed by the Washington State Senate. Terms of office are five years with appointments optionally renewable.

Trustees appoint one person - the Chancellor. The Chancellor, in turn, appoints the three campus presidents and the staff at the District Office. Campus presidents select and hire all persons employed on their respective campuses.

The organization may be more clearly seen in the diagram below:

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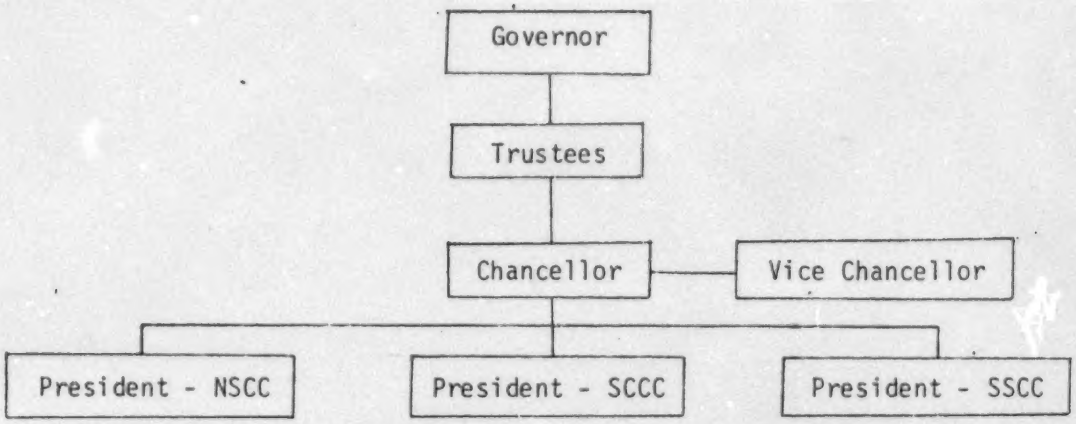


The Seattle Community Colleges, beginning with a few hundred students from the old Edison Technical Institute, grew to nineteen thousand (19,000) students by 1977 and to twenty-eight thousand four hundred (28,400 by 1980. Because of financial restrictions resulting in cutbacks, enrollments dropped to twenty-two thousand seven hundred (22,700) in the fall of 1981 and are expected to drop further to twenty-one thousand (21,000) in the fall of 1982.

Starting from a Technical Institute base, having only vocational and technical programs, in excess of one hundred eighty (180) certificate and degree programs are now offered by the District. During the fall of 1979, two thousand five hundred ninety-five (2,595) class sections were offered. Total head-count teaching faculty numbered nine hundred (900) with a full-time faculty of three hundred sixty (360). One hundred eighty support staff were employed at that time with ninety-one administrative (91) also serving.

Goals and objectives were myriad, but leading the list was that of meeting the educational needs of several communities that make up the Seattle Community College District. The list included:

1. Meeting employment needs of business and industry.

2. Providing college and university lower division courses that met the transfer requirements of four-year institutions.

3. Providing educational opportunities for minorities and women.

4. Supplying superior counseling and guidance services.

5. Maintaining grants and loan services (financial aide) necessary to meet the needs of students who relied on such helps.

6. Providing community services of varying types, with an attempt to refrain from duplicating those already offered.

7. Building and maintaining facilities that met the needs of the stated mission of the college.

8. Offering cultural and recreational offerings consonant with the mission of the institution.

9. Providing adequate financial and professional awards to those employed by the institution.

Mission Statement

Eighty-one people, recruited from all constituencies of the institution, met in an all-day session in 1978 to formulate a mission statement that would serve as a guide to the educational efforts of the Seattle Community College District. The agreed-upon statement read:

> Seattle Community College is a comprehensive educational system providing an open door to a stimulating educational environment including academic, vocational, continuing education, and community services programs which are responsive to the changing needs of the diverse communities it serves.

Key elements in that statement included:

- the uniqueness of Seattle Community College
- the broad spectrum of services the College believes it should provide
- the changing nature of communities in Seattle
- the community colleges' ability to be flexible in its programming and services and thus to respond quickly to changing needs
- the importance of a stimulating environment

At the present time, the statement of mission is being challenged by forces outside the educational system. In the Spring of 1982, the Chancellor, in setting up a new master planning effort, stated:

> "The passing of time, a changing political climate, a drastic change in the economic situation and the change in the needs of our community have made it necessary to examine our mission statement as well as our philosophy and goals."

That process is in progress at this time. Nine task forces, with representation from all constituencies of the College, have been appointed. The areas of study and reporting are:

1. Mission, philosophy and institutional goals
2. Student/Educational Programs
3. Staffing

4. Public Information

5. Energy

6. Facilities

7. Organization and Decision-Making

8. Management and Information Systems

9. Fiscal

Because of the urgency brought about by the current fiscal problems, two task forces are asked to proceed at faster-than-normal speed: Student/ Educational Programs and Fiscal.

Demographic Data

One needs only to look at the demographic data -- and the changes that have taken place in the past three years -- to determine the severity of the crisis that is being faced.

National

Indicators	1979	1982
Economic Outlook	Inflation high; unemployment low; interest rates rising	Lowered inflation; unemployment high; interest rates slowly declining
Population Projection	Cuban/Indo-Chinese immigration	Stable
Technological Demands	Awareness developing; Little planning	Increased awareness; planning for high technology
Educational Outlook	Increasing enrollments; adequate funding; mood positive	Diminishing enrollments; inadequate funding; budget cuts; mood negative
Social Conditions	Some problems; generally positive	Increasing problems generally negative
Political Climate	Generally negative	More negative

State of Washington

Indicators	1979	1982
Economic Outlook	Positive; growth oriented; low unemployment	Negative, recession oriented; high unemployment
Social Conditions	Heavy immigration; Cubans/ Indo-Chinese	Growing concerns; poverty unemployment
Political Climate	Generally negative	More negative; legislature functionalized
Educational Outlook	Positive; enrollments increasing rapidly	Negative; enrollments declining due to reduced funding
Technological Demands	Awareness	Increased awareness for high technology training; new industry moving in
Population Projection	Third largest number of immigrants	Stable

City of Seattle/County of King

Indicators	1979	1982
Economic Outlook	Positive; Optimistic; Low unemployment	Negative; Pessimistic; High unemployment
Social Conditions	Generally positive; many immigrants	Generally negative; unrest developing, particularly with minorities
Political Climate	Generally negative	Increasingly negative
Educational Outlook	Optimistic; rapid growth in higher education	Pessimistic; rapid decline due to decreased funding
Technological Demands	Awareness	Growing awareness that this is a developing high technology area
Population Projection	Increasing	Stable

Seattle Community College District

Indicators	1979	1982
Economic Outlook	Positive; adequate funding	Negative; major cutbacks; more anticipated, gloom prevails
Social Conditions	Integrating immigrants; generally positive	Generally negative; racial unrest beginning
Political Climate	Slightly negative; negotiations in progress	Negative; fear of loss of jobs, salary increases postponed
Educational Outlook	Positive; enrollments reached all-time high	Negative; rapidly declining enrollments
Technological Demands	Awareness	Attempt to meet future demands
Population Projection	Rapidly increasing	Rapidly decreasing

Experiencing Contraction

Reduction in expenditures have one of three origins:

1. Executive order by Governor
2. Reduction in appropriation by Legislature
3. Recession by Legislature

The amounts of reductions may vary due to the perception of the magnitude of the shortfall. Political considerations also have priority. It may be wiser, politically, to have two small cuts than one large one. Or it may be better to defer taking any executive action and call the Legislature back into session, projecting as large a cut as is thought believable. The timing of cuts may be delayed because of impending elections.

Such drastic reductions have been made in Washington State because of two factors:

1. Inadequate tax base
2. Disintegrating economic climate

Property taxes, used primarily to support local authorities, are quite low and are governed by the "106% law". They may be increased no more than 6% per year. The sales tax is 5.6% (plus 1% in Seattle to support local govern-

ments). There is no state income tax. By constitutional law, to invoke a graduated state income tax would take a positive vote of the constituency - a fact that will probably never be realized. A flat rate tax could be put into law by the Legislature.

A cumulative series of cuts from the appropriated amounts is shown below:

Governor Ray (1980)	3%
	2%
1981-83 Budget	2 - 5%
September 1981	5%
April 1982	2%
	2%
July 1982	4%
July 1982	1.5%

Now it must be remembered that during this time, there were some positive adjustments made. Adjustments were made for inflation; increases for salaries were appropriated. No provisions were made for growth, however, and the contracted enrollment figures were held constant (in spite of the fact that there was a strong demand for increase).

Community College System
FTE Enrollments
Washington
(state funded)

1971-72	66,175
1972-73	69,873
1973-74	74,062
1974-75	81,480
1975-76	85,140
1976-77	83,187
1977-78	85,666
1978-79	88,193
1979-80	97,848
1980-81	104,000
1981-82	88,000

For the Seattle Community College District, FTE (state funded) enrollments look like this:

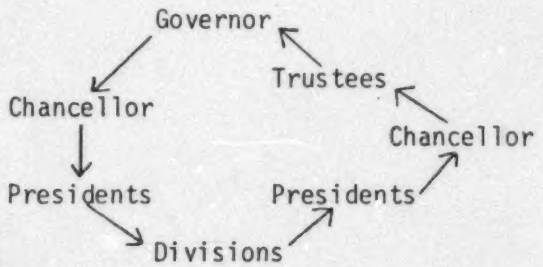
1970-71	8,959
1971-72	10,460
1972-73	10,268
1973-74	10,739
1974-75	11,229
1975-76	11,645
1976-77	11,917
1977-78	12,135
1978-79	12,479
1979-80	14,056

1980-81	15,040
1981-82	11,996
1982-83 (Est.)	10,770

NOTE: One FTE equals approximately two headcount students; 65% of all students are part-time students.

The effect of legislative/executive order cuts can be seen in the 1981-82 enrollment and the estimated enrollment for 1982-83. Thousands of students are being denied access.

The process for implementation of the reduction followed a clearly-defined process. The fact that the cuts were arbitrary, at various intervals, sometimes made and then restored, and for varied amounts, has made budgeting extremely difficult. The process is shown below, a model that I choose to call the "Boomerang Model" - results in return to the point of origin.



Governor:

This model assumes the cut comes by Executive Order rather than legislative mandate. It is the responsibility of the Governor, by law, to secure a balanced budget. When the Official of Financial Management determines (usually on a quarterly basis) that the revenues are inadequate to meet the expenditures of the State, then it is the responsibility of the Governor to:

a. order appropriate cuts, or

b. call the Legislature back into session to make appropriate adjustments either in the revenue or expenditure patterns.

Chancellor:

The amount of the reduction is communicated from the Governor through the State Board for Community College Education to the Chancellor's Office. Through the avenue of the Chancellor's Cabinet, the criteria for budget reductions are iterated or reiterated.

It is assumed at this time that contraction will pass through four distinct stages for which models will be shown:

Stage I	Diminishing Pyramid Model
Stage II	Attrition by Category Model

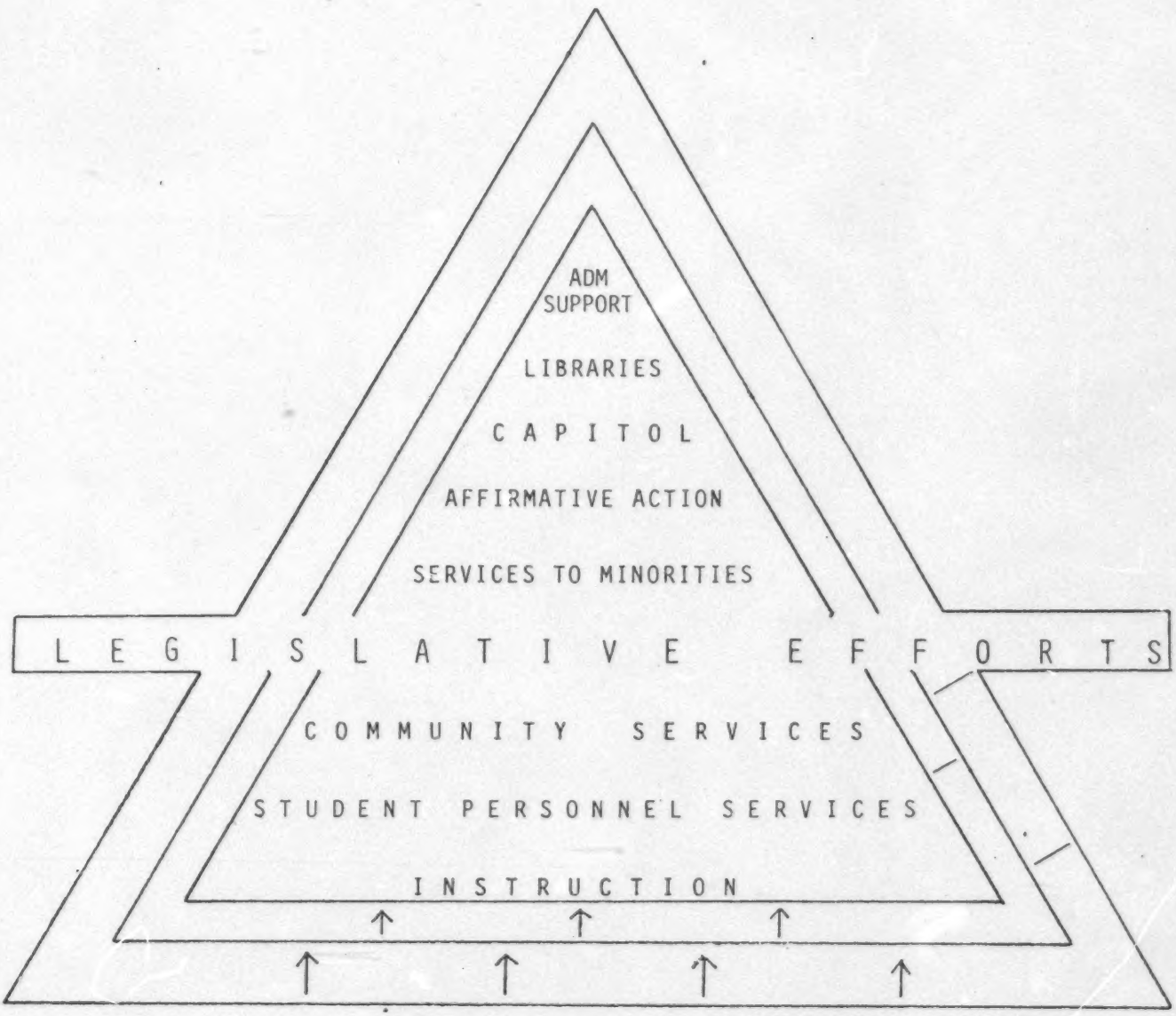
Stage III	Devastation by Category Model
Stage IV	Institutional Reformulation of Mission and Restructuring of Organizational Model

For Stages I - III, criteria were established to serve as guides, criteria which represent priorities to be observed in the retrenchment process. They included:

Criteria I:	The proclaimed mission of the institution shall be maintained
Criteria II:	The core full-time tenured faculty shall be retained
Criteria III:	Access shall be provided for as many students as possible
Criteria IV:	Quality shall be maintained throughout the contraction process
Criteria V:	Adequate support services, both administrative and classified, shall be maintained

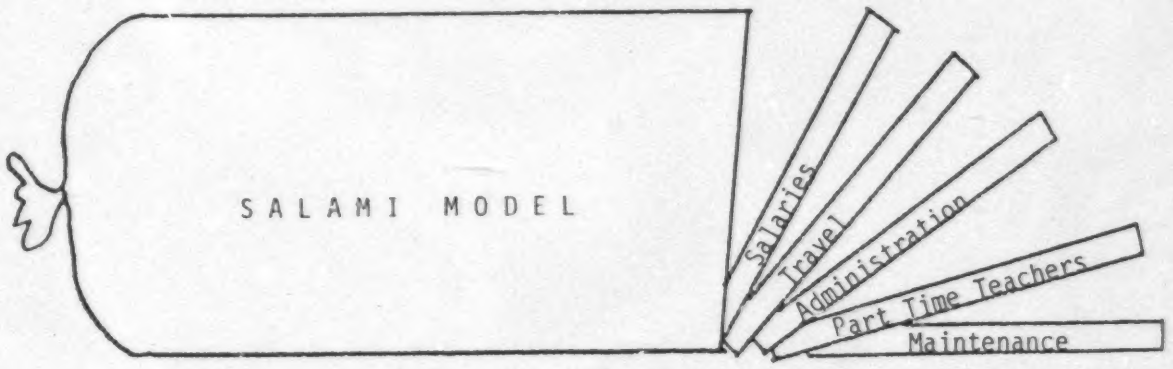
In Stage I, the "Diminishing Pyramid Model" was employed. All were surprised at the contraction that would take place before the institution was seriously jeopardized. There is a tendency to cry "Wolf!" too soon and too often. We learned that we could still have a viable institution even after taking serious budget cutbacks. The area most seriously affected was that of access, then support services.

The "Diminishing Pyramid Model" may be shown as follows:


ADM
SUPPORT
LIBRARIES
CAPITOL
AFFIRMATIVE ACTION
SERVICES TO MINORITIES
LEGISLATIVE EFFORTS
COMMUNITY SERVICES
STUDENT PERSONNEL SERVICES
INSTRUCTION

Stage II Attrition by Category Model

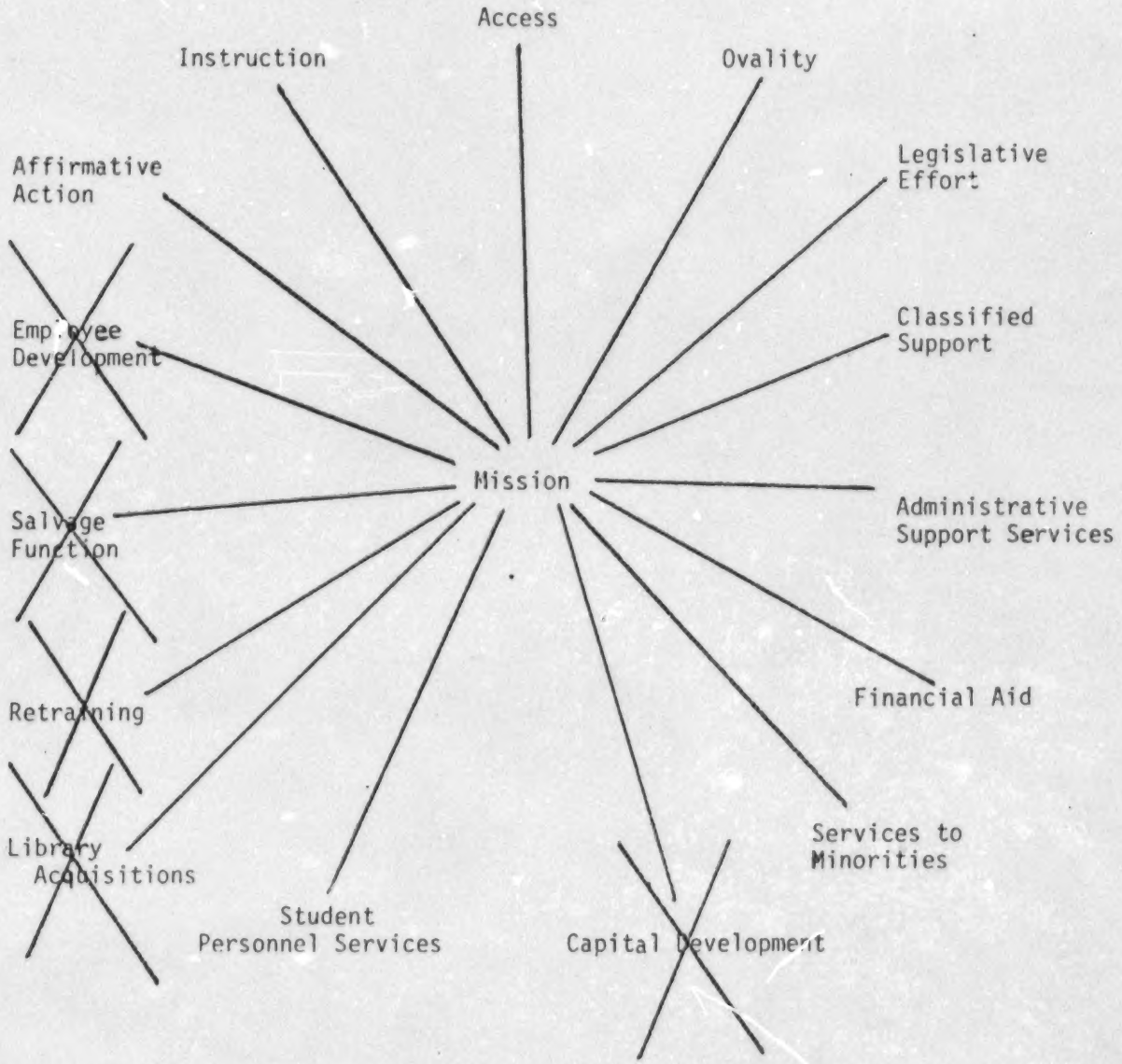
All services are reduced, somewhat proportionately, in this model. All areas do with less. This process was followed through the first few cuts, then it is no longer practical. It is then necessary to attack specific categories disproportionately. This model is called the "Salami Method: Attrition by Category" as is shown below:



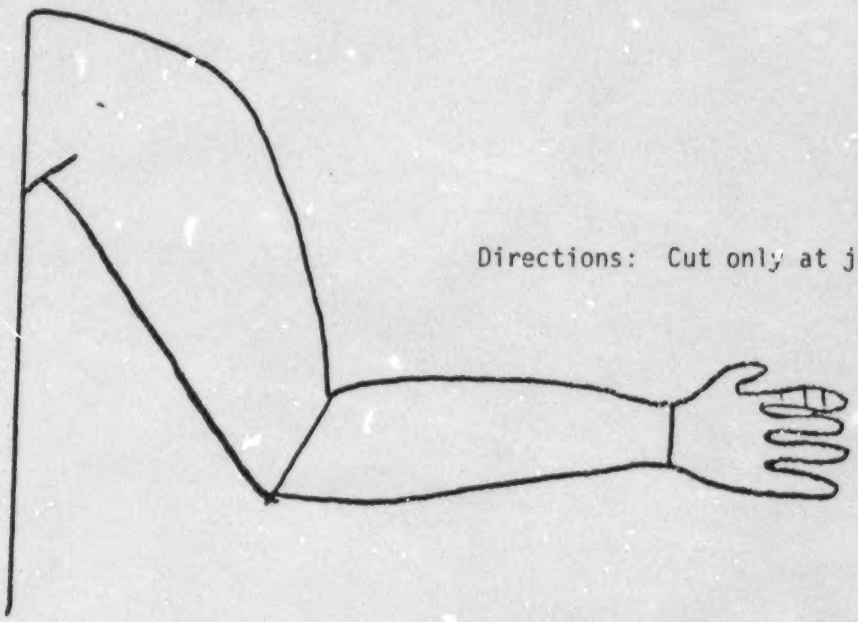
Because cuts were not predictable, were of varying degrees of seriousness, and were sometimes made and then retracted, planning in an organized manner was rendered all but impossible.

Stage III Devastation by Category Model

As budget cuts progressed, even though the percentages of cuts were no greater, the consequences were far more severe. Hence, the "Devastation by Category" Model is perceived. It may be illustrated in two ways, using as a focal point the mission of the institution:



Another way of explaining this process can be shown this way, and might be sub-titled "Dismemberment by Joints":



Ultimately, only the torso, whatever that is, remains. Programs are eliminated, tenured faculty are terminated, administrative functions and administrators are declared redundant and the institution is thrown into chaos. Another step must be taken if restrictions continue.

The final stage in this grim act is:

Stage IV Institutional Reformulation of Mission and Restructuring of Organizational Model

As previously mentioned, the Seattle Community College District is presently engaged in this process, although not very many people who are engaged in the process fully comprehend its obvious eventualities. When the process is completed, I doubt that we will have a chancellor and three college presidents. Maintenance and operations services will probably be centralized. Individual campuses will be far less comprehensive. Summer session and evening classes bay be restricted to a single campus.

If, however, the economy changes, or the Legislature develops new revenue sources, a totally new configuration will develop.

Presidents

After priorities have been established and theoretical models for reduction have been agreed upon, then the presidents take their allocation figures back to their own campuses for implementation. They first meet with their cabinets and their constituencies. District-wide criteria, as discussed in the Chancellor's Cabinet, are articulated. Thence, allocations are made to divisions and other operating units for their recommendations at their respective levels. This is done in close cooperation with the respective deans. The president also holds meetings with the faculty union vice-president and classified union vice-president.

Divisions

After new allocation figures have been shared with the division chairs and through the proper deans, then meetings are held at the division level with the faculty and classified employees. Input is requested, suggestions are made, and ideas are presented for consideration by the chair. He/she then transmits his/her recommendations through the dean to the president. A cabinet meeting is held for final resolution.

The recommendations for implementation are submitted to the chancellor. The plans for the three campuses and district office are then assembled, considered by the Cabinet, where changes are made as appropriate, then submitted to the Board of Trustees for approval.

Board of Trustees

The five-member local Board of Trustees must, by law, approve budgets. While it is not entirely clear if the Board must approve budget revisions, the Seattle Community College District has followed that process. After approval by the Board, then the chancellor submits the budget revisions to the Office of Financial Management in the state capital. This consummates the budget revision process.

Contraction

Related to contraction, the following observations have been noted:

1. Moods have changed:

    a. Society expects less
    b. The Legislature has developed an attitude of thinly-veiled hostility
    c. The community wants services but no tax increases to support them
    d. Trustees are becoming more vocal and organized as threats are increasing
    e. Employees have gone through a sequence of emotions:

        1) Disbelief
        2) Annoyance
        3) Frustration
        4) Anger
        5) Fear
        6) Cannibalism

2. People can now distinguish between short-term planning and long-term planning.

3. There has been a development of creative approaches to management, alternative delivery systems, support services, facility utilization, and funding mechanisms.

4. Creative (and not-so-creative) approaches to contraction have been considered:

    a. Reduction of part-time teachers
    b. Reduction of administrators
    c. Reduction of class sections
    d. Reduction of support staff
    e. Reduction of work year
    f. Reduction of work week
    g. Encouragement of early retirement
    h. Administrative reorganization
    i. Computerizing the administrative process
    j. Closing instructional centers
    k. Increasing work loads
    l. Developing alternate delivery systems

The Future

We are planning for a restricted economy for the balance of the decade. I expect to see state-wide educational systems drastically altered. Community colleges, because of their recency and dearth of strong alumni support, are the most vulnerable. In a reflection on the "good old days" legislators will be prone to support the venerable old institutions for which they have strong affections and to which they have lasting loyalties. From now on it will be trench warfare. If there is a Dunkirk, I fear there will be no place to which we can retreat -- unless it is to pure technical, non-collegiate institutes, or the traditional "junior" colleges of the past.

Conclusions:

The conclusions that I have reached as a result of the contraction experience are:

1. Up to this point the management of contraction is but a series of episodes in a worsening trauma.

2. The level of hostilities between and among constituent groups closely parallels the threats to the whole brought about by the contraction process.

3. Scapegoats will be sought and found. Epochs, to end successfully, must have a victim, possibly a martyr.

4. Long-term damage will be done by short-sighted decision-making.

5. Institutions will be affected but the untold drama will be unfulfilled dreams of those who hoped to be upwardly mobile but have been dragged down -- or held down -- to the poverty level because there was no educational ladder for them to climb. In a service economy, one must know how to serve.

6. The positive elements of retrenchments, e.g., "housecleaning" of incompetents, creative approaches to organization, delivery systems, etc., are outweighed by the negative aspects of contraction.

As first line administrators -- or trustees -- it is our lot to do the best we can with what we have. We must not only manage contraction, but stress, longer hours, fewer rewards and a greater condemnation for not preserving things as they were.

When one becomes a president/principal, he may well mouth the words of another era: "It was the best of times; it was the worst of times." And when he retires, he will say, "It is a far, far better rest I go to then I have even known...."

John W. Casey
Coombe Lodge
July, 1982

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